GOVERNMENT OF INDIA
COMMUNICATIONS
LOK SABHA

UNSTARRED QUESTION NO:3690
ANSWERED ON:12.12.2001
LICENCE FEE DUES
V. SAROJA

Will the Minister of COMMUNICATIONS be pleased to state:

(a) the details of licence fee due from licensees of radio paging services in cities and telecom circles as on date;

(b) whether the Government have taken any action in this regard;

(c) if so, the details thereof; and

(d) if not, the reasons therefor?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF COMMUNICATIONS (SHRI TAPAN SIKDAR)

(a) The details of license fee due from the licensees of Radio Paging Service in Cities and Telecom Circles is given in the Annexure.

(b) & (c): The default in payment of license fee started in 1997, for which the licensees were served notices for default as per terms and conditions of the License Agreement. On receipt of the notices, the defaulting companies moved the Telecom Regulatory Authority of India (TRAI)against the notices for termination of the License Agreements and invocation of bank guarantees. The TRAI stayed the termination of the License Agreements and invocation of bank guarantees, which remained operative till 20.1.2000. All these cases were transferred to the newly constituted Telecom disputes Settlement and Appellate Tribunal (TDSAT), which started functioning during the year 2001. Thereafter, all these cases were disposed of as withdrawn.

A Migration Package on the lines of Cellular and Basic Service was also offered to the City as well as Circle Paging operators in September 1999, which could not be implemented in the Cities since all the operators did not accept. In Circles, though the licensees accepted the Migration Package, the same could not be implemented as they failed to pay outstanding dues including interest as on 31.7.1999, in terms of the Package.

The Radio Paging Industry also represented to Group on Telecom and IT Convergence (GOT-IT) which recommended relief which inter-alia, included, allowing the industry to migrate to revenue sharing from 1st August 1999, concessions in the interest rate on outstanding license fee, sharing of revenues for incoming calls between Paging and Basic Services operators etc.

The recommendations of GOT-IT were considered by the Cabinet, which decided that the opinion ofthe Learned Attorney General of India may be taken. Based on the opinion of the Learned Attorney General, the case has been referred to the Tariff Commission for an independent study of the viability of Radio Paging Industry, to show whether they are really not in a position to pay the license fees.

(d) Does not arise in view of (b) & (c) above.

ANNEXURE

LICENCE FEE DUE FROM THE LICESEES OF RADIO PAGING SERVICE IN CITIES AND TELECOM CIRCLES 30.11.2001.

(Rupees in Crores)

Sl. No.	Name of the company	Cities (upto 3rd Year)	Circles	Total
1.	ABC Communications	6.40	No licence	6.40
2.	Beltron	0.94	No licence	0.94
3.	India Paging Services Ltd.	No licence	44.76	44.76

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4. DSS Mobile Commn. 10.38 No licence 10.38

5. Eider PWI Commn. 8.58 No licence 8.58
6. Eider PWI Paging 17.33 No licence 17.33

7 Easycall Commn. 4.81 No licence 4.81

8. Matrix 10.42 No licence 10.42

9. Microwave 17.70 0.96 18.66
10. Modi Korea Telecom 7.90 0.07 7.97
11. Netherland India 2.01 0.47 2.48
12. Page Point 0.00 No licence 0.00
13. RPG 5.98 No licence 5.98
14. Telesistem India 2.20 No licence 2.20
15. M/s BPL wireless 0.00 No licence 0.00
16. Punwire Mobile Commn. No licence 144.86 144.86
17. Punwire Paging 0.39 29.86 30.25
Total 95.04 220.98 316.02

Note:- 1. Total amount shown above does not include interest on delayed payments which is payable up to the actual date of payment.

Note:- 2. + The licence fee shown above in Cities is the fixed amount upto 3rd year.

From 4th year onwards revenue share is also due.